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Effective fund raising for colleges and universities is a highly competitive undertaking which requires a well planned, constantly reevaluated program with imaginative publicity. While higher education has fewer constituencies from which to draw financial support than other gift-dependent institutions, those it has are usually more generous. These constituencies may be listed as (1) faculty, students, and staff, (2) foundations, (3) corporations, and (4) individuals. Faculty, students, and staff are the most important not only because they provide a portion of financial support, but also because they largely determine whether an institution generates good or bad publicity. For an institution to identify the parts of these constituencies relevant to its program and then to obtain its share of financial support from them, it must have a well conducted research program, a well trained staff, and a professional development officer. (TT)

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IDENTIFICATION AND CULTIVATION OF CONSTITUENCIES

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IDENTIFICATION AND CULTIVATION OF CONSTITUENCIES

By removing the subject of this presentation from the context of the Workshop theme, one is encouraged to go too far and think in terms of the total philanthropic emphasis in this country. And in so doing, the thinker is immediately confronted with one of the eternal verities of this business--the search for voluntary financial support by eligible institutions and organizations is one of the most aggressive and competitive elements of our society today.

Your insurance agent or automobile salesman may tell you differently, until they are confronted with the revealing data compiled and recently published by the American Association of Fund-Raising Counsel

Witness: A current survey of 21 national health and welfare organizations show that 28.1 million Americans performed volunteer services for them during 1967.

Witness: Sixteen of these organizations reported a total of 17.4 million volunteers engaged in fund-raising activities during the year

Witness: A sample survey in a large metropolitan city a few years ago suggested that one-sixth of all adults perform some form of volunteer work <u>outside their churches</u>.

The figures just cited range from ten to sixteen percent of the total population and, if you will investigate the source of this data, you will discover that no mention is made of educational institutions or organizations. It is not until one moves to the higher estimate of 55 million volunteers active during 1967 that support of the educational enterprise can be included.

To return to the verity for a concluding statement: Approximately one out of every four Americans is actively supporting and/or serving the programs of his choice. The obvious conclusion, then, is that--like it or not--effective fund raising is more than big business . . . it is also the major leagues. Those who choose to play the game must play it in this context.

In a recent issue of <u>Carnegie Review</u>, Carnegie-Mellon University President W. Buyford Stever said: "Financial support must be deserved by sound, useful programs, and it must be

earned by hard work in planning, management, and the cultivation of those who are in a position to support it "

Quantitatively, higher education has fewer constituencies from which to expect support. Qualitatively, the picture can be viewed from a better vantage point. Six of the twelve largest gifts and bequests made public in 1967 went to a college or university. As more and more individuals pursue their educational experience to ever higher levels, the potential for increased financial support rises accordingly.

Sometime during 1968 private giving to philanthropy will exceed $15 billion. This, of course, is exclusive of federal and state funds. According to the most current information, the nation's colleges and universities can expect to receive something in excess of the $1,580 billion recorded last year. Interestingly enough, this is comparable to General Motors' net income in recent years.

Now we have cleared the air for the task at hand. Who is going to get these billions? Who is going to give these billions?

Permit me to answer the first question by referring once again to President Stever's statement. Experience shows that those institutions and organizations with the soundest programs, with the most articulate spokesmen, and other communication vehicles for these programs will get their share and more of the available funds. Perhaps I should say "continue to get their share and more" because this is another verity of the game.

Who are these sources of support and how does an institution go about identifying them? We move from this point on the assumption that the institution has a well-planned, forward-moving program which is constantly being reevaluated for flaws and weaknesses. Without this, there is no ballgame. Without the several constituencies knowing of this program and the evaluative process, the ballgame can be placed in the loss column long before the ninth inning. The dictum of "good field, no hit" is even more true today.

I have chosen to group the institution's constituencies into four main categories; the family (which is not quite the right term, but which stands for faculty, students and staff),

foundations, corporations and individuals.

Recent events on campuses across the country cause one to wonder about the relationships between the administration, the faculty and the students. In place of the question "Is anyone listening?", one might ask "Is anyone speaking?" meaning, of course, is anyone speaking for the institutions with the full or majority support of its several parts.

Here, then, is the most important constituency of all and, unfortunately, the one that receives the least attention in far too many cases.

Let me suggest that the family can be an enlightened constituency; indeed it must be if the institution is to reach out into more remote groups, not only for financial support, but also to provide the community services which are an increasingly important role for many colleges and universities.

There are several vehicles available to inform and cultivate faculty members, students and administrative staff. Printed material can open the door to two-way communication and encourage dialogue on essential matters. General distribution pieces such as a facts package and a weekly calendar of events are of enormous importance in developing identity within the college community. Too often we assume that those closest to the institution know all about it. This rarely is true without a well-defined program to make it so.

Specialized publications which are designed to appeal to particular elements of the institution's family can strengthen rapport among all elements. A student newspaper, edited in good taste by responsible individuals can be one of the most lively documents on campus. A well written monthly or quarterly magazine can devote itself to non-news material such as feature articles by representatives of the faculty, student body and staff.

What may be the most important document of all--the annual report--should be the most thorough statement issued by the institution. It should receive the widest possible distribution among all the shareholders and this certainly includes students, faculty and administrative personnel.

Meetings may be one of the sicknesses of our society (this one excluded). But a well-

planned, informative meeting can produce more positive results than any other single form of communication. Regularly scheduled sessions between the president--or his senior associates--and elements of the student body and faculty can undercover sores or festers which would be best cured before they break out in an epidemic.

With the institutional family well-informed on its programs, and reasonably happy with them, the task of cultivating others is a less formidable challenge. But it doesn't end there. Remind me to tell you about a small institution in Indiana whose faculty and staff gave more than $125,000 in a $3 million capital campaign BEFORE the program was announced to the public.

Before moving to the second main category, let me spend a minute or two on trustees. It would be an insult not to mention this dedicated group of volunteers but it would be just as much of an insult to discuss their essential role in the limited time we have here today. I refer you instead to an article by Paul Davis entitled "20,000 Potent People", copies of which are available here at the Workshop.

Foundations are an important constituency of higher education; one of THE most important in terms of total dollar support--$290 million in 1967. And there are many foundations from which to pick and choose--more than 18,000 at last count Therein lies the rub. . .

One of the major universities in the country, which annually receives several millions of dollars from foundations, rarely has 200 such prospects catalogued in the active files; and many of these are for research projects.

In all probability most liberal arts colleges would be doing well to have as many as 50 foundations in the active files, and the majority of these should be as close as possible to home The amount of research that is necessary in a professionally designed foundations relations program is enormous, time consuming and usually only profitable in the limited number of cases of interested foundations.

The day of the uncoordinated approach. . . of the president meeting his development officer or a faculty member in the reception area of a foundation office. . . is history now,

or it should be. Foundation officials do not have time for this gadfly-like treatment, and I am not aware of any college presidents or other senior officers who decry the lack of things to do during their 12-14 hour days

We should spend a minute on this thought because it is the most central theme in identifying and cultivating constituencies--research of all constituency groups and individual prospects within these groups is fast becoming a well-defined art which pays off in more productive fund raising programs.

Marshall McLuhan has said: "A specialist is one who makes no small mistakes on the way to the grand fallacy." The person who is responsible for researching your prospects--and providing accurate data on them--simply cannot afford to be wrong too many times. . . or it will appear in the annual report in the form of fewer and fewer gifts and bequests.

The corporate community has the potential of being one of the greatest growth areas in the field of philanthropy. Current giving now represents about one percent of profits, and Samuel J. Silberman commented on this during a recent speech at Fairleigh Dickinson University.

The chairman of the Consolidated Cigar Corporation said: "The Government presently allows up to 5% for philanthropic deductions from corporation profits." Let us hypothesize that the Government requires that this money either be given for philanthropic purposes or used for internal programs focused on the social welfare of their employees or of the communities in which they operate, with the priviso that the unspent part would be 100% taxed to finance Government programs of a similar nature.

"The difference between the amount of money presently given and 5% of corporation profit amounts to over $2 billion per year. Imagine such a sum released with the impetus of private direction. . . ."

I might add that it has been estimated that private groups can collect and spend $1 at a cost of 7¢, whereas the Government must collect $3 for every dollar it dispenses.

How then do we identify and cultivate corporate constituencies? Here again the essential ingredient is research and fact finding: Who are the business leaders? Which are the firms to be identified and in what priorities? How do we (the college or university) stand with these leaders? What are their attitudes toward us? What problems exist? On what basis can we make an appeal?

Much of this information can be defined by establishing two-way communication via a systematic program of involvement. This can take the form of business advisory committees to the institution. . . a series of faculty-business luncheons and meetings. . . special lectures and symposia. . . and a well-planned flow of directed mailings.

Notice the word "directed." Even at six cents a unit, the Post Office is still being inundated with a volume of mail that regularly results in a breakdown of the system. Each of us begins our day with "the mail," so there is no need to belabor the point. Cultivation mailings to any constituency--and particularly to those in business and industry--must be of a quality and content to stand the test when compared with the regular flow of mail received by the respective group.

Hubert Humphrey said: "Happiness is a citizen who can pick up a Government publication, read it and understand it." Remember, fund raising is the major leagues. There is not much sense in sending out a piece that doesn't stand a better-than-average chance of being read.

Now to the individual donors; those persons who, in 1967, provided more than 75 percent of the voluntary giving to philanthropy. In reference to higher education, it was the alumni, the parents, and other friends who gave almost 50 percent of the total gifts.

It would seem to be a less difficult task to identify and involve this constituency, and yet experience shows that this is not always the case. As they pursue their educational experience through the two-year institution, the undergraduate college, and on to graduate and professional schools, the alumni are going to become an increasingly difficult group to involve in the life of a particular institution.

Again referring to the latest available information, non-alumni led all others in support of higher education. It is difficult to believe that these non-alumni are also non-graduates or persons with little or no experience at a college or university. Rather one might suggest that these non-alumni are indeed college graduates and are supporting institutions other than those they attended as students. Not for any particular disenchantment with their Alma Mater, but rather because of the mobility of our society, and the interests and involvement one develops within the community in which he lives.

If could well be that in the near future this enormous constituency will be known simply as friends of the institution, with subgroups identified as alumni parents, and others. This is a vital point in the total fund-raising program of a college or university. All of us know that the foundation or corporate prospect wants to know how the alumni are doing. If the present trend continues, it will be up to all of us to sell the new concept that our friends--including alumni and non-alumni--are supporting our institutions at a higher level than ever before. And in identifying and cultivating these friends, the research and fact-finding capabilities must be increased proportionally.

One of the interesting and successful mediums for identifying these friends is the establishment of special groups that meet certain requirements; among which are levels of financial support. Such designations as The President's Council, The Golden Key Club, The Chapin Society all represent groups that have demonstrated a real interest in an institution by working in its behalf, in addition to providing financial resources in the thousands of dollars.

The potentials for fund raising developing out of friend raising are unlimited as more and more people have more and more direct experience with the educational enterprise. One of the oft-quoted examples of the generosity of Americans comes down to us from World War I when it was noted that "Americans spontaneously contributed a sizeable sum for the widow of the Unknown Soldier." I sincerely hope that we will have fewer such examples today as the individual becomes more concerned about our way of life and more capable of making

positive judgments about which of our institutions should flourish and grow stronger, and which should not.

In reviewing the types of constituencies interconnected with higher education, and certain ways that might be used in identifying and cultivating them, I have attempted to make one point stand out among all the others: Don't play the game unless you are interested in winning, and one sure way of winning more games than you lose is to put the best possible team on the field. Applying this to the exciting business of fund raising means the availability of a capable and well-trained staff of professional development officers.

The programs we have touched upon ever so briefly today, implemented in a professional manner, will require a minimum of three professional staff members. These in turn should be backed up by an adequate clerical staff.

The promise of bounteous reward has never been greater for those who are seriously concerned with the understanding and support of higher education.